CR 15 - 174

EAG:LXN/MKM/JPL
F.#2010R02042

FILED
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U.S. DISTRICT COURT
EASTERN DISTRICT
OF NEW YORK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA

- against -

VINCENT VERTUCCIO,
also known as "Vinny,"
PRAFUL PANDYA and
JOHN SERVIDER,
Defendants.

INDICTMENT

Cr. No. ____________________

(T. 18, U.S.C., §§ 981(a)(1)(C), 982(a)(1), 1349, 1512(c)(1), 1512(k), 1956(a)(1)(B)(i), 1956(h), 1957(a), 1957(b)(1), 1957(b)(2), 2 and 3551 et seq.; T. 21, U.S.C., § 853(p); T. 26, U.S.C., §§ 7206(1) and 7206(2); T. 28, U.S.C., § 2461(c))

TOWNES, J.

REYES, M.J

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THE GRAND JURY CHARGES:

COUNT ONE
(Conspiracy to Commit Mail Fraud)

1. In or about and between December 2008 and October 2010, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," together with others, did knowingly and intentionally conspire to devise a scheme and artifice to defraud the Port Authority of New York and New Jersey ("PANYNJ"), and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, to wit: false and fraudulent representations to the PANYNJ made in a background qualification questionnaire submitted in connection with construction work at One World Trade Center, New York, New York (the "Questionnaire"), and for the purpose of executing such scheme and artifice, did deposit and cause to be deposited one or more matters and things to be sent

and delivered by FedEx, a private and commercial interstate carrier, to wit: the Questionnaire, contrary to Title 18, United States Code, Section 1341.

2. It was part of the scheme that VERTUCCIO directed an employee of Crimson Construction Corporation ("Crimson") not to disclose VERTUCCIO's role in Crimson because of VERTUCCIO's ties to organized crime, even though: (1) the Questionnaire required Crimson to disclose its "Key People," and defined "Key People" to include "any manager or individual who participates in overall policy-making or financial decisions for the Company" and "any person in a position to control and direct the Company's overall operations"; and (2) VERTUCCIO in fact controlled and directed Crimson's activities.

3. It was further part of the scheme that, after Crimson was awarded a contract to perform work at One World Trade Center, New York, New York worth approximately $11.4 million (the "Contract"), Crimson submitted an invoice on or about January 20, 2010 seeking payment of $684,000 for "mobilization," that is, initial administrative costs necessary for Crimson to begin work. On or about April 1, 2010, Crimson received approximately $684,000 in mobilization money pursuant to the invoice it had submitted. Instead of using the money for its intended purpose, however, VERTUCCIO directed, among other things, that Crimson: (1) deposit checks totaling approximately $170,000 into a bank account held in the name of VERTUCCIO's mother; and (2) pay for construction work on VERTUCCIO's daughter's residence, in Queens, New York.

4. It was further part of the scheme that, in or about and between March 2010 and July 2010, Crimson submitted invoices requesting, and received pursuant to such

invoices, in addition to the mobilization money, payments totaling more than $900,000 under the Contract, approximately $700,000 of which was deposited into a Crimson bank account controlled by VERTUCCIO's lawyer and then transferred to the lawyer's master escrow account (the "Master Escrow Account"). From the Master Escrow Account, this approximately $700,000 was: (1) transferred into one or more bank accounts tied to VERTUCCIO, including approximately $215,000 into an account held in the name of VERTUCCIO's mother; and (2) used to pay for construction work on VERTUCCIO's daughter's residence, in Queens, New York. As a result of VERTUCCIO's actions, among other reasons, Crimson was thereafter unable to pay its vendors and sub-contractors, and therefore was unable to perform under the Contract. On or about October 28, 2010, the PANYNJ notified Crimson that it was cancelling the Contract.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

COUNT TWO
(Conspiracy to Commit Money Laundering)

5. The allegations contained in paragraphs two through four are realleged and incorporated as if fully set forth in this paragraph.

6. In or about and between December 2008 and October 2010, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," together with others, did knowingly and intentionally conspire to: (1) conduct one or more financial transactions in and affecting interstate commerce, which transactions in fact involved the proceeds of specified unlawful activity, to wit: mail fraud, contrary to Title 18, United States Code,

Section 1341, knowing that the property involved in such transactions represented the proceeds of some form of unlawful activity, and knowing that such transactions were designed in whole and in part to conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of the specified unlawful activity, contrary to Title 18, United States Code, Section 1956(a)(1)(B)(i); and (2) engage in one or more monetary transactions in and affecting interstate commerce, in criminally derived property of a value greater than $10,000 that was derived from specified unlawful activity, to wit: mail fraud, contrary to Title 18, United States Code, Section 1341, contrary to Title 18, United States Code, Section 1957.

(Title 18, United States Code, Sections 1956(h) and 3551 et seq.)

COUNT THREE
(Money Laundering)

7. The allegations contained in paragraphs two through four are realleged and incorporated as if fully set forth in this paragraph.

8. In or about and between January 2010 and October 2010, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," together with others, did knowingly and intentionally conduct one or more financial transactions in and affecting interstate commerce, which transactions in fact involved the proceeds of specified unlawful activity, to wit: mail fraud, contrary to Title 18, United States Code, Section 1341, knowing that the property involved in such transactions represented the proceeds of some form of unlawful activity, and knowing that such transactions were designed in whole and in part to

conceal and disguise the nature, the location, the source, the ownership and the control of the proceeds of the specified unlawful activity.

(Title 18, United States Code, Sections 1956(a)(1)(B)(i), 2 and 3551 et seq.)

COUNT FOUR
(Engaging in Monetary Transactions in Property Derived from Mail Fraud)

9. The allegations contained in paragraphs two through four are realleged and incorporated as if fully set forth in this paragraph.

10. In or about and between January 2010 and October 2010, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," together with others, did knowingly and intentionally engage in one or more monetary transactions in and affecting interstate commerce, in criminally derived property of a value greater than $10,000 that was derived from specified unlawful activity, to wit: mail fraud, contrary to Title 18, United States Code, Section 1341.

(Title 18, United States Code, Sections 1957(a), 1957(b)(1), 1957(b)(2), 2 and 3551 et seq.)

COUNT FIVE
(Making and Subscribing a False Individual Tax Return)

11. On or about April 15, 2009, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," did knowingly and willfully make and subscribe a false and fraudulent Individual Income Tax Return Form 1040 for calendar year 2008, which was verified by a written declaration that it was made under the penalties of perjury, and which was filed with the Internal Revenue

Service, which tax return the defendant did not believe to be true and correct as to every material matter, in that the return reported, among other falsities, that he had taxable income in the amount of $8,330, whereas, as the defendant then and there well knew and believed, he had received substantially greater taxable income.

(Title 26, United States Code, Section 7206(1); Title 18, United States Code, Sections 3551 et seq.)

COUNT SIX
(Aiding and Assisting in the Preparation of False and Fraudulent Tax Return)

12. On or about April 15, 2009, within the Eastern District of New York and elsewhere, the defendant PRAFUL PANDYA did willfully aid and assist in, and procure, counsel and advise the preparation and presentation under, and in connection with a matter arising under, the internal revenue laws, of returns, claims and other documents, to wit: the Individual Income Tax Return Form 1040 for taxpayer VINCENT VERTUCCIO for calendar year 2008, which the defendant PRAFUL PANDYA knew to be fraudulent and false as to one or more material matters, in that it reported substantially less taxable income for VINCENT VERTUCCIO, whereas, as the defendant PRAFUL PANDYA then and there well knew and believed, VINCENT VERTUCCIO had received substantially greater taxable income.

(Title 26, United States Code, Section 7206(2); Title 18, United States Code, Sections 3551 et seq.)

COUNT SEVEN
(Making and Subscribing a False Individual Tax Return)

13. On or about April 15, 2012, within the Eastern District of New York and elsewhere, the defendant VINCENT VERTUCCIO, also known as "Vinny," did knowingly and willfully make and subscribe a false and fraudulent Individual Income Tax Return Form 1040 for calendar year 2011, which was verified by a written declaration that it was made under the penalties of perjury, and which was filed with the Internal Revenue Service, which tax return the defendant did not believe to be true and correct as to every material matter, in that the return reported, among other falsities, that he had taxable income in the amount of $71,550, whereas, as the defendant then and there well knew and believed, he had received substantially greater taxable income.

(Title 26, United States Code, Section 7206(1); Title 18, United States Code, Sections 3551 et seq.)

COUNT EIGHT
(Aiding and Assisting in the Preparation of False and Fraudulent Tax Return)

14. On or about April 15, 2012, within the Eastern District of New York and elsewhere, the defendant PRAFUL PANDYA did willfully aid and assist in, and procure, counsel and advise the preparation and presentation under, and in connection with a matter arising under, the internal revenue laws, of returns, claims and other documents, to wit: the Individual Income Tax Return Form 1040 for taxpayer VINCENT VERTUCCIO for calendar year 2011, which the defendant PRAFUL PANDYA knew to be fraudulent and false as to one or more material matters, in that it reported substantially less taxable income for VINCENT VERTUCCIO, whereas, as the defendant PRAFUL PANDYA then and there

well knew and believed, VINCENT VERTUCCIO had received substantially greater taxable income.

(Title 26, United States Code, Section 7206(2); Title 18, United States Code, Sections 3551 et seq.)

COUNT NINE
(Conspiracy to Alter Records for Use in an Official Proceeding)

15. In or about and between March 2013 and April 2015, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants VINCENT VERTUCCIO, also known as "Vinny," and JOHN SERVIDER, together with others, did knowingly and intentionally conspire to corruptly alter, destroy, mutilate and conceal one or more records and documents, to wit: invoices and sales receipts issued by a jewelry store in New York, New York, with the intent to impair such records' integrity and availability for use in an official proceeding, to wit: a grand jury investigation in the Eastern District of New York, contrary to Title 18, United States Code, Section 1512(c)(1).

(Title 18, United States Code, Sections 1512(k) and 3551 et seq.)

COUNT TEN
(Alteration of Records for Use in an Official Proceeding)

16. In or about March 2013, within the Eastern District of New York and elsewhere, the defendants VINCENT VERTUCCIO, also known as "Vinny," and JOHN SERVIDER, together with others, did knowingly, intentionally and corruptly alter, destroy, mutilate and conceal one or more records and documents, to wit: invoices and sales receipts issued by a jewelry store in New York, New York, with the intent to impair such records'

integrity and availability for use in an official proceeding, to wit: a grand jury investigation in the Eastern District of New York.

(Title 18, United States Code, Sections 1512(c)(1), 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNT ONE

17. The United States hereby gives notice to the defendant VINCENT VERTUCCIO, also known as "Vinny," that, upon his conviction of the offense charged in Count One, the government will seek forfeiture in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), which require any person convicted of such offense to forfeit any property, real or personal, which constitutes or is derived from proceeds traceable to the violation of any such offense.

18. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461(c))

CRIMINAL FORFEITURE ALLEGATION AS TO COUNTS TWO, THREE AND FOUR

19. The United States hereby gives notice to the defendant VINCENT VERTUCCIO, also known as "Vinny," that, upon his conviction of any of the offenses charged in Counts Two, Three and Four, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), which requires any person convicted of such offenses to forfeit any property, real or personal, involved in such offenses, or any other property traceable to such property.

20. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

c. has been placed beyond the jurisdiction of the court;

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 982(a)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL

Robert Heffernan
FOREPERSON

Loretta E. Lynch
LORETTA E. LYNCH
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

F. #2010R002042
FORM DBD-34
JUN. 85

No.

UNITED STATES DISTRICT COURT

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

VINCENT VERTUCCIO, et al.,

Defendants.

INDICTMENT

(T. 18, U.S.C., §§ 981(a)(1)(C), 982(a)(1), 1349, 1512(c)(1), 1512(k), 1956(a)(1)(B)(i), 1956(h), 1957(a), 1957(b)(1), 1957(b)(2), 2 and 3551 et seq.; T. 21, U.S.C., § 853(p); T. 26, U.S.C., §§ 7206(1) and 7206(2); T. 28, U.S.C., § 2461(c))

A true bill.

Robert Heffernan
Foreperson

Filed in open court this 8th *day,*

of APRIL *A.D. 20* 15

_______________ *Clerk*

Bail, $ _______________

M. Kristin Mace, Assistant U.S. Attorney (718) 254-6879